

July 24 2024

J. D. Cox – City Manager  
**City of Douglas**  
 P.O. Box 1030, 101 N 4<sup>th</sup> St.  
 Douglas, WY 82633

**Subject: City of Douglas, WY – New Community Center**  
 Owner’s Representative/Program Manager Services Proposal

Dear J.D.,

It was a pleasure meeting both your Ron yesterday and I enjoyed learning about your new community center project and some the challenges you are working to overcome. Through the discussion I learned that evaluating the feasibility of a geo-exchange heating & cooling systems was a top priority, it seems there may be some benefit to engaging my firm to support the City through the full continuum of the project. I’m excited to share this proposal in response to your request for Owner’s Representative services.

During our call, I learned you desire to development a new community center with a construction budget of +/- \$20M. But as of now, the architect has advised the budget is likely to increase beyond your conform level. Among the many priorities, I would suggest a principal task will be gaining alignment with the budget and program goals for the project. Additionally, you shared the major project milestone dates and duration, as developed by the project architect. To ensure our services will align with that plan, at least initially, I’ve organized our schedule and timeline assumptions to mirror those of the architect. If/when adjustments are needed, we will have open dialogue and transparent discussion to review resolve the impacts. The remaining overall timeline is approximately 26-months and my understanding of the schedule follows:

1. **Concept Development** (ongoing and evolving)
2. **Design** – SD due July 30<sup>th</sup>
3. **Bidding** – 30-45 days to implement a traditional bid process
4. **Construction** – Starting June 2025 & 12-14 months in duration
5. **Project Closeout** – typically 60 days in duration
6. **Warranty** – anticipate a 2-year period commencing @ Substantial Completion of the Work

This proposal between NV5, Inc. (“NV5”), an independent consultant, and City of Douglas (“Client”) contemplates services whereby NV5 would act as the Owner’s Representative/Program Manager for new Community Center project. The following is an explanation of the Scope of Services, associated fees, and my proposed project team.

Our project Team including me, John Sattler (Sr. VP & Principal in Charge), a Geoff Graham (Project Manager) and additional office support to include Project Director Chris Spyke and TBD Project Coordinator. Our Project Management resources are significant and include a wide range of expertise and focus.

**Scope of Services:**

As Program Manager, we will work to execute the principal aspects of this engagement as listed below. Our efforts would begin during the Concept Design and run through the completion of Construction and Closeout of all prime contracts. We will also lead the 11-month and 23-month inspections in support of a 2-year project Warranty. The following is not intended to be an exhaustive list of tasks, but a more overarching summary of objectives and outcomes required to deliver the project in alignment with the Scope, Schedule, Budget and Quality expectations of the City.

**Phase 1. Planning / Concept Development / Design Phase:**

- **Estimated to be 8 months in duration: August 2024 – March 2025**
  1. Assist Client to identify the overall project implementation strategy including Critical Success Factors and Goals of the Project. Typically, Budget, Space Needs, Quality Standards, and compatibility with Client's operations and maintenance strategies and staffing.
  2. Development and management of the Master Budget and Master Project Schedule.
  3. Review 3<sup>rd</sup> Party Opinions of Probable Cost (OPC) and provide feedback to design team.
  4. Working with Client Legal Counsel, develop & negotiate remaining Prime Contracts to be used by the Client for the necessary Professional Services and Construction Services.
  5. Implement Procurement of remaining Prime Consulting & Professional Services including Survey, Geotech and Materials Testing & Observation, and Commissioning as applicable.
  6. Provide Contract Administration and oversight for all Prime Contracts with the Client for the Project including those Professional and Construction Services.
  7. Oversee the development of Concept Designs and assist client in evaluation of options. Special care taken to determine alignment with Critical Success Factors and Goals of the Project.
  8. Review consultant billings and resolve issues with vendor(s) prior to providing recommendation for payment to Client.
  9. Assist in the evaluation of heating and cooling systems including but not limited to the following:
    - a. Traditional gas-fired Boiler (heating) w/ DX or Air-Cooled Chiller (cooling);
    - b. Geothermal & Heat Pump system w/ either distributed heat pumps or a central plant.
  10. Provide oversight and guidance to Project Team through the entitlement process.
  11. Coordinate project utility needs and timing with local providers including power, gas, water & sewer, telecom, internet, and others as may be necessary and identified by Client. Secure quotations and facilitate payment processing.
  12. Provide oversight of the design process including participation in scheduled design review and coordination meetings. Make recommendations and provide insight and suggestions relative to compliance with Scope, Schedule, Budget, Program, and quality expectations.
  13. Provide recommendations for establishing Bid Alternates to allow for better financial management and balance of Scope and Budget.
  14. **Optional Additional Services:**
    - a. *Provide "Peer" review of the mechanical, electrical and plumbing systems design and offer feedback/observation to the Client and if approved, work with the design team to seek resolution of identified issues.*
    - b. *Cost Estimating at key milestones.*
    - c. *Provide IECC Mechanical & Electrical Commissioning Services ("Cx").*

**Phase 2. Construction Bidding/Permitting and Management Phase:**

- **Estimated to be 16 months in duration: April 2025 – August 2026**

Up to 8 weeks for Bidding/Permitting & up to 60 weeks for Construction. *Weekly OAC Meetings participation provided through a combination of on-site meetings and virtual meetings.*

  1. Provide oversight throughout submission of the "Building Permit" and ensure timely resolution of clarifications and deficiencies identified by AHJ(s).
  2. Develop General Contractor solicitation documents and manage the contractor "bidding" and contract approval process. Anticipate using a traditional design-bid-build delivery method.
    - a. Develop market interest through direct outreach to qualified general contractors and key subcontractors.
    - b. Design-Bid-Build delivery method warrants use of a 3<sup>rd</sup> party Cost Consultant during design to ensure the Scope is in alignment with the Budget.
  3. Provide contractor oversight and Contract Administration throughout the construction phase of the project including attendance at Owner, Architect, Contractor (OAC) meetings.

- a. Review of all contract paperwork including but not limited to: Applications for Payment, Change Order Proposals, RFI's, Submittals and Schedule.
  - b. Establish requirements for Contractor Schedule of Values to ensure appropriate transparency and tracking of completed work v. monthly billing.
  - c. Provide support in evaluating the monthly billings (application for payment and supporting documentation) and manager corrections as may be required to protect Client's interests. Make recommendation for payment once all issues are resolved.
  - d. Evaluate the status of Work in place, stored materials, and other progress, through on-site observations, to validate the representations of the monthly billing.
4. Lead the financial management and reporting process including justification of all costs/expenditures and track same against the detailed Project Budget.
  5. Provide monthly review of the Contractor's approved CPM schedule and evaluate proposed adjustments prior to acceptance.
  6. Provide Monthly written reports on the progress of the Project for Staff and attend Board Meetings as requested to report on same. Reports will include status on current, planned and overdue activities. Issues that have a potential to affect the Budget or Schedule will be identified and carried through in report until resolved.
  7. Coordinate installation and provisioning of local utility providers identified and provide liaison between providers, project team and the approved construction schedule.
  8. Participate in Substantial Completion inspection(s) to ensure proper documentation by Architect establishing completion date expectations and proper commencement of the project warranty.
    - a. Provide support to project team through completion of the Punch List.
  9. Plan and implement the transition process moving from the existing facilities into the new facility.
  10. **Optional Additional Services:**
    - a. *Cost Estimating – Evaluation of the GMP proposal and reconciliation of contractors "Bid" with milestone estimates and then current market rates.*

### **Phase 3. Construction Close Out Phase:**

- **Up to 8 weeks in duration: assume 1 month overlap with Construction**
1. Provide oversight to the project "Close-Out Process" including completion of all Architect & Contractor responsibilities including Punch List, Client Training, Completion of O&M Manuals and Record Drawings.
  2. Provide oversight and leadership to the inspection process and AHJ acceptance process. Monitor inspection schedule(s), reinsertions and support negotiations and resolutions.
  3. Cause publication of the Notice of Final Settlement to occur and authorize the release of all final payments in accordance with the Contract Documents, Agreements, and applicable State Statutes.
  4. Provide Contract and financial Closeout of the construction agreement and major consultant agreements.
    - a. Provide Closeout checklists and manage completion of same.
    - b. Provide recommendations for FINAL PAYMENT when ALL contract requirements have been satisfied.
  5. Working with CFO, reconcile Project Financials with internal accounting.

### **Phase 4. Warranty Phase:**

- **Estimated to be 2 year(s) in duration – Commencing at Substantial Completion of the Work**
1. Ensure the Contractor has provided Client with a proper warranty repair process including reporting forms, logs, and compliance with timeline expectations of the contract.
  2. Participate in the 11 and 23-month inspection prior to the expiration of the warranty.

3. Ensure each deficiency on the 11 and 23-month inspection is resolved appropriately and in a timely manner.
4. **Optional Additional Services:**
  - a. Provide support to Client to identify and validate appropriate warranty claims and resolution of same. This is in addition to the 11 & 23-month warranty walks and will be billed on Time & Materials plus Expenses basis.

**Schedule of Fees:**

The Scope of Services outlined above will be provided by our firm on a Fixed Fee plus Expense Basis. Our fee for the proposed Scope of Services as Client’s Representative is **Two Hundred Sixty-Nine Thousand Eight Hundred Sixteen and 00/100 Dollars (\$269,816.00)**. Fees for these Services will be billed monthly, consistent with the progress of the Services. If it is apparent the durations or the budget will extend beyond that established, through no fault of our firm (NV5), Client and NV5 shall negotiate an equitable adjustment.

Phase/Responsibility	Fee Structure	Fees & Expenses
Phase 1 – Planning/Pre-Design/Design	Fixed Fee	\$69,440.00
Phase 2 – Construction Management	Fixed Fee	\$161,584.00
Phase 3 – Close Out	Fixed Fee	\$24,000.00
Phase 4 - Warranty	Mixed Fee	\$3,000.00
Reimbursable Expenses	Allowance	\$11,792.00
<b>Total Professional Services Fee &amp; Expenses</b>		<b>\$269,816.00</b>

**Reimbursable Expenses:**

The following expenses will be billed against the Reimbursable Expense Allowance of \$11,792.00 listed in the table above. *(No other expenses are anticipated at this time)*

- Consumable materials & office equipment used to facilitate completion of Services.
- Travel to and from the Project location(s) including but not limited to mileage, airfare, car rental, per diem and lodging.
- Additional expenses when approved by Client in advance.

**Conditions & Clarifications:**

- A. The below Proposal Acceptance should be completed to serve as our written authorization to proceed.
- B. NV5 will utilize telephone and videoconference capabilities where feasible and appropriate, at our discretion, to create cost efficiency and reduce travel time/costs.
- C. NV5 strongly urges the use of a 3<sup>rd</sup> party cost consultant to provide independent detailed cost estimates at each design milestone to ensure alignment with the Project Budget and reduce risk at time of bid.
- D. Client to resolve warranty claims that are submitted to General Contractor. NV5 will be available to support the ongoing warranty administration as an Optional Additional Service.
- E. Any and all Services not expressly included in the Scope of Services listed above shall be excluded and only provided by prior written approval of Client.

If you have any questions, or if any aspect of this proposal is unsatisfactory, please contact me at once so that we may make corrections or adjustments. If you agree with the above, please indicate acceptance by returning a signed copy at your earliest convenience.

July 24 2024

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Sincerely,  
NV5, Inc.



John Sattler – LEED AP  
Sr. Vice President  
303.818.7802

Incl: NV5 Standard Terms & Conditions

**PROPOSAL ACCEPTED BY: CITY OF DOUGLAS, WY**

AUTHORIZED SIGNATURE: \_\_\_\_\_

NAME & TITLE: \_\_\_\_\_

DATE ACCEPTED: \_\_\_\_\_

This Proposal Acceptance, the Scope of Services outlined in the Proposal, and Schedule of Fees, shall become an exhibit to the Agreement between Client and NV5, and supersede all prior written or oral understandings.